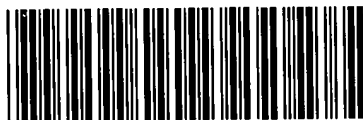


4C ASSOCIATES LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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4C ASSOCIATES LIMITED

COMPANY INFORMATION

Directors	S J P Terry R Moudgil
Registered number	04018096
Registered office	5th Floor Kings House 174 Hammersmith Road London England W6 7JP
Independent auditor	Nexia Smith & Williamson Statutory Auditor & Chartered Accountants 25 Moorgate London EC2R 6AY

4C ASSOCIATES LIMITED

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4C ASSOCIATES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Principal activities

The principal activities of the Company during the year was acting as consultants in respect of procurement/sourcing and supply chain management.

Directors

The directors who served during the year were:

S J P Terry
R Moudgil

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Going concern

Information regarding the Company's going concern status is included in note 2.2.

Post balance sheet events

See note 18 for details of significant events affecting the Company since the year end.

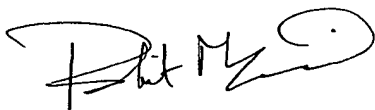
Auditor

The auditor, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies' note

In preparing this report, the directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



R Moudgil
Director

Date: 16/12/2020

4C ASSOCIATES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 4C ASSOCIATES LIMITED

Opinion

We have audited the financial statements of 4C Associates Limited (the 'Company') for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 4C ASSOCIATES LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Directors' Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 4C ASSOCIATES LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nexia Smith & Williamson

Timothy Adams (Senior Statutory Auditor)

for and on behalf of

Nexia Smith & Williamson

Statutory Auditor

Chartered Accountants

25 Moorgate

London

EC2R 6AY

Date: 18/12/2020

4C ASSOCIATES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	2018 £
Turnover		8,172,805	8,176,674
Cost of sales		(5,644,526)	(5,479,838)
Gross profit		2,528,279	2,696,836
Administrative expenses		(2,102,651)	(1,881,016)
Other operating income	3	-	108,000
Operating profit		425,628	923,820
Interest receivable and similar income		89	143
Interest payable and similar expenses		(68,935)	(56,249)
Profit before tax		356,782	867,714
Tax on profit	6	43,519	(160,160)
Profit for the year		400,301	707,554

There was no other comprehensive income for 2019 (2018: £Nil).

The notes on pages 10 to 23 form part of these financial statements.

4C ASSOCIATES LIMITED
REGISTERED NUMBER:04018096

BALANCE SHEET
AS AT 31 DECEMBER 2019

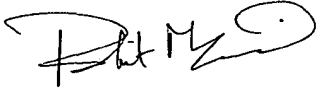
	Note	2019 £	2018 £
Fixed assets			
Intangible assets	7	1,256,399	832,247
Tangible assets	8	254,216	274,424
		<u>1,510,615</u>	<u>1,106,671</u>
Current assets			
Debtors: amounts falling due after more than one year		55,756	59,324
Debtors: amounts falling due within one year		3,581,824	2,714,636
Bank and cash balances		223,820	1,016,454
		<u>3,861,400</u>	<u>3,790,414</u>
Creditors: amounts falling due within one year	10	(2,438,316)	(2,504,468)
Net current assets		<u>1,423,084</u>	<u>1,285,946</u>
Total assets less current liabilities		<u>2,933,699</u>	<u>2,392,617</u>
Creditors: amounts falling due after more than one year	11	(285,000)	(285,000)
Provisions for liabilities			
Deferred tax	12	(262,170)	(5,109)
Net assets		<u><u>2,386,529</u></u>	<u><u>2,102,508</u></u>
Capital and reserves			
Called up share capital		8,442	8,442
Share premium account	13	652,655	652,655
Other reserves	13	47,586	47,586
Profit and loss account	13	1,677,846	1,393,825
Shareholders' funds		<u><u>2,386,529</u></u>	<u><u>2,102,508</u></u>

4C ASSOCIATES LIMITED
REGISTERED NUMBER:04018096

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2019

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime as set out within Part 15 on the Companies Act 2006.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



R Moudgil
Director

Date: **16/12/2020**

The notes on pages 10 to 23 form part of these financial statements.

4C ASSOCIATES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Total equity £
At 1 January 2018	8,442	652,655	47,586	989,940	1,698,623
Comprehensive income for the year					
Profit for the year	-	-	-	707,554	707,554
Transactions with owners					
Dividends: Equity capital	-	-	-	(303,669)	(303,669)
At 1 January 2019	8,442	652,655	47,586	1,393,825	2,102,508
Comprehensive income for the year					
Profit for the year	-	-	-	400,301	400,301
Transactions with owners					
Dividends: Equity capital	-	-	-	(116,280)	(116,280)
At 31 December 2019	8,442	652,655	47,586	1,677,846	2,386,529

4C ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

4C Associates Limited is a private limited company, limited by shares, incorporated in England and Wales. The registered office address is 5th Floor, Kings House, 174 Hammersmith Road, London, England, W6 7JP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland as applied in the context of the small entities regime and the Companies Act 2006.

The Company has applied all amendments to FRS 102, as set out in the triennial review published in December 2017. The adoption of these amendments has not resulted in any prior period adjustments and has not had a material impact on the results of the Company.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Company made a profit after tax for the year ended 31 December 2019 of £400,301 (2018: £707,554) and had net current assets of £1,423,084 (2018: £1,285,946). In making their going concern assessment, the directors have given consideration to current performance, cash reserves held by the business, market conditions, future profit & loss forecasts and the potential impact of the COVID-19 pandemic on the Company.

The impact and duration of COVID-19 is uncertain. It is widely accepted that the economic impact of this pandemic will be severe and therefore, the directors have given due consideration to the impact that COVID-19 could have on the Company. Whilst the forecasts prepared show future profitability, having also reviewed cash flow projections it is clear that even in the most adverse of scenarios the Company would have sufficient liquidity with which to meet all of its outstanding liabilities and obligations as they fall due, for a period of at least 12 months from the date of the authorisation of these financial statements.

On this basis, the directors of the Company have concluded that there are no material uncertainties that may cast doubt on the Company's ability to continue as a going concern. Consequently, the directors have prepared these financial statements on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Turnover derived from the provision of procurement consultancy and outsourcing services is recognised over the period in which the work is performed.

Performance related fees are recognised in the period in which the performance targets have been met.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to profit or loss over its useful economic life.

Development Costs

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Development costs are reviewed annually and where future benefits are deemed to have ceased or to be in doubt, the balance of any related development is written off to profit or loss.

The estimated useful lives range as follows:

Development expenditure	-	3	years
Goodwill	-	10	years

4C ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- over the lease period
Fixtures and fittings	- 20% straight-line
Office equipment	- 33% straight-line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

4C ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.9 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. **Accounting policies (continued)**

2.11 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The Company reflects the economic cost of awarding share options to employees by recording an expense in respect of the services received from employees in profit or loss at an amount equal to the fair value of the awarded options.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

See note 14 for details of share options granted to employees/directors of the Company.

No share option charge has been recognised in profit or loss as it is immaterial to the financial statements.

4C ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.13 Employee Benefits

Short term employee benefits including holiday pay and annual bonuses are accrued as services are rendered. Contributions to defined contribution pension schemes are charged to profit or loss as they become payable in accordance with the rules of the scheme. Differences between contributions payable in the year and those actually paid are shown as either accruals or prepayments in the Balance Sheet.

3. Other operating income

	2019 £	2018 £
Facilities recharge	-	108,000

4C ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

4. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Procurement, consulting and outsourcing	49	53
Administration	6	5
Management	12	8
	<u>67</u>	<u>66</u>

5. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	327,332	321,000
Directors' pensions costs	6,775	6,300
	<u>334,107</u>	<u>327,300</u>

The highest paid director received remuneration of £195,000 (2018: £195,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £Nil (2018: £Nil).

6. Taxation

	2019 £	2018 £
Corporation tax		
Current tax	(170,822)	82,977
Deferred tax		
Deferred tax movement	<u>127,303</u>	<u>77,183</u>
Taxation on profit on ordinary activities	<u>(43,519)</u>	<u>160,160</u>

4C ASSOCIATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

7. Intangible assets

	Computer software £	Goodwill £	Total £
Cost			
At 1 January 2019	541,706	610,000	1,151,706
Additions	485,152	-	485,152
At 31 December 2019	<u>1,026,858</u>	<u>610,000</u>	<u>1,636,858</u>
Amortisation			
At 1 January 2019	-	319,459	319,459
Charge for the year	-	61,000	61,000
At 31 December 2019	<u>-</u>	<u>380,459</u>	<u>380,459</u>
Net book value			
At 31 December 2019	<u>1,026,858</u>	<u>229,541</u>	<u>1,256,399</u>
<i>At 31 December 2018</i>	<u>541,706</u>	<u>290,541</u>	<u>832,247</u>

The Computer software is not yet ready for use and as such, there has been no amortisation charged in the year ended 31 December 2019.

4C ASSOCIATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At 1 January 2019	234,981	166,439	401,420
Additions	39,891	45,166	85,057
Disposals	-	(1,617)	(1,617)
Transfers between classes	(50,000)	50,000	-
At 31 December 2019	<u>224,872</u>	<u>259,988</u>	<u>484,860</u>
Depreciation			
At 1 January 2019	4,466	122,530	126,996
Charge for the year	46,548	57,100	103,648
At 31 December 2019	<u>51,014</u>	<u>179,630</u>	<u>230,644</u>
Net book value			
At 31 December 2019	<u><u>173,858</u></u>	<u><u>80,358</u></u>	<u><u>254,216</u></u>
At 31 December 2018	<u><u>230,515</u></u>	<u><u>43,909</u></u>	<u><u>274,424</u></u>

4C ASSOCIATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

9. Debtors

	2019 £	2018 £
Due after more than one year		
Other debtors	55,756	59,324
Due within one year		
Trade debtors	1,802,749	1,936,645
Amounts owed by group companies	274,799	268,024
Other debtors	33,491	49,084
Corporation tax receivable	55,566	-
Prepayments and accrued income	1,282,985	458,407
Deferred taxation	132,234	2,476
	<u>3,581,824</u>	<u>2,714,636</u>

10. Creditors: Due within one year

	2019 £	2018 £
Bank loans and overdraft	766,256	910,443
Trade creditors	484,328	446,224
Amounts owed to group undertakings	212,414	219,290
Corporation tax	-	82,977
Other taxation and social security	288,256	362,840
Other creditors	169,393	70,696
Accruals and deferred income	517,669	411,998
	<u>2,438,316</u>	<u>2,504,468</u>

The bank facility is secured by way of a charge over the assets of the Company.

The 2018 figures have been adjusted to reclassify a £40,000 intercompany loan from bank loans and overdraft to amounts owed to group undertakings.

11. Creditors: Due after more than one year

	2019 £	2018 £
Amounts owed to group undertakings	<u>285,000</u>	<u>285,000</u>

4C ASSOCIATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. Deferred taxation

	2019 £	
At beginning of year	(40,907)	
Charged to profit or loss	(89,029)	
	<u>(129,936)</u>	
	2019 £	2018 £
Losses and other deductions	132,234	-
Accelerated capital allowances	(262,170)	(5,109)
Short term timing differences	-	2,476
	<u>(129,936)</u>	<u>(2,633)</u>
	2019 £	2018 £
Comprising:		
Deferred tax asset due within one year	132,234	2,476
Deferred tax liability	(262,170)	(5,109)
	<u>(129,936)</u>	<u>(2,633)</u>

13. Reserves

Share premium account

The share premium account is used to record the aggregate amount or value of premiums paid when the Company's shares are issued at an amount in excess of nominal value.

Other reserves

This reserve is a share based payment reserve and relates to the fair value of the options granted which has been charged to profit or loss over the vesting period of the options.

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

4C ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

14. Share based payments

During the year ended 31 December 2014, a new scheme was set up by the parent company 4C Global Limited ("4CG") and registered with H M Revenue and Customs as an Enterprise Management Incentive Scheme under the provision of schedule 5 Income Tax (Earnings and Pension Act 2003). A total of 13,225 options were issued. These were issued to 1 director and 2 other individuals of 4CG but also 3 employees of the Company. As at 31 December 2019 most of the options had either expired or been exercised. The final 2,000 options would vest in the event of the sale of the 4CG group taking place but would expire within 15 years of grant.

During the year ended 31 December 2017, an employee of the Company, was granted a total of 4,000 options over ordinary shares in 4CG. All 4,000 options under this scheme had an exercise price of £1 per share and were granted on 25 October 2017. 2,000 options vested between 25 October 2017 and 30 September 2019 and had vesting conditions linked to the individual's employment within the Company at that date. The final 2,000 options would vest in the event of the sale of the 4CG group taking place within the next 5 years.

During the year ended 31 December 2018, 2 employees of the Company, were granted a total of 1,600 options over ordinary shares in 4CG. All 1,600 under this scheme had an exercise price of £1 per share and were granted on 4 June 2018. All 1,600 options would vest in the event of the sale of the 4CG group. During the year 800 options expired as one employee left the Company.

At the year end a total of 7,600 options were yet to vest. The average exercise price of these options was £1. All of these related to options linked to sale of the 4CG group and therefore had no vesting date.

As disclosed in note 18, 4CG was acquired in January 2020 and therefore the options could be exercised at this point. No share option charge has been recognised in respect of any of the above schemes on the basis that it is considered immaterial.

15. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £196,834 (2018: £168,284). Contributions totalling £130,085 (2018: £28,553) were payable to the fund at the balance sheet date and are included in creditors.

16. Commitments under operating leases

At 31 December the Company had future minimum lease payments under non-cancellable operating leases of £416,877 (2018: £680,272).

4C ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

17. Related party transactions

During 2019, the Company was invoiced for management services by a company under common control of shareholders of the Parent Company 4C Global Limited ("4CG") at a total cost of £360,000 (2018: £360,000).

During the year companies under joint control of shareholders of 4CG provided consultancy services to the Company at a total cost of £71,970 (2018: £106,876).

During the year the Company invoiced a facilities recharge to companies under the joint control of shareholders of 4CG a total of £Nil (2018: £130,703).

Companies under common control of shareholders of 4CG owed £129,600 at year end (2018: £194,845).

18. Post balance sheet events

The COVID-19 worldwide pandemic continues to have a significant impact on the economy, and is affecting companies in a number of industries. At the date of the approval of these financial statements, the directors believe it difficult to estimate the total impact that COVID-19 will have on the Company. Due to the timing of the outbreak being after the balance sheet date, COVID-19 has been treated as a non-adjusting post balance sheet event.

On 8 January 2020, the Company's parent 4C Global Limited was acquired by 4C Procurement Limited, a newly incorporated entity. 4C Procurement Limited was then sold to Ansor Fund I LP on the same date.

Subsequent to the year end, the Company paid dividends of £72,136 to its parent, 4C Global Limited.

19. Controlling party

During the year, the immediate and ultimate parent undertaking was 4C Global Limited ("4CG"), a company incorporated in England and Wales and whose registered office is 5th Floor, King's House, 174 Hammersmith Road, London, England, W6 7JP.

As disclosed in note 18, in January 2020, the ultimate parent undertaking changed to 4C Procurement Limited ("4CP") when 4CG was acquired by that entity. 4CP's registered office is Hardy House, Northbridge Road, Berkhamsted, United Kingdom, HP4 1EF. This then subsequently changed to Ansor Fund I LP ("the fund"), a Private Fund Limited Partnership registered in England & Wales. The fund's registered office is 4th Floor 3 Shortlands, London, England, W6 8DA.

The directors do not consider there to be an ultimate controlling party.